THE HYDERABAD HORSE RACING AND BETTING TAX REGULATION of 1958 F.

No. XLIX of 1358 F.

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*THE HYDERABAD HORSE RACING AND BETTING TAX REGULATION, 1358 F.

No. XLIX OF 1358 FASLI.

Whereas it is expedient to impose a tax on horse racing and on certain forms of betting in connection therewith;

Now, therefore, in exercise of the authority vested in me for the administration of the Hyderabad State and of all other powers enabling me in this behalf I hereby make the following Regulation :—

Short title, extent and commencement.

1. (1) This Regulation may be called the Hyderabad Horse Racing and Betting Tax Regulation, 1358 Fasli.

(2) It extends to the whole of the Hyderabad State and shall come into force on such date as the Military Governor may by notification in the Jarida appoint.

CHAPTER I.

TAX ON HORSE RACING.

Definitions.

2. In this Regulation, unless there is anything repugnant in the subject or context,—

(*a*) "admission" and "admission to a race meeting" mean admission to a race course on the occasssion of a race meeting thereon;

(*b*) "manager of a race meeting" includes any company, institution, club or other association of persons responsible for the management thereof;

(*c*) "payment for admission" includes any payment made by a person who having been admitted to one part of a race course is subsequently admitted to another part thereof for admission to which a payment involving a tax or a higher rate of tax is required, and any payment for seats or other accommodation in a race course;

(*d*) "race course" means a course at which a race meeting is held and includes the precincts thereof;

(*e*) "race meeting" means a meeting held for the purpose of horse racing.

Tax on Payment for administration to race-meetings.

3. (1) Whenever a race meeting is held at which payments are made for admission, there shall be charged, levied and paid to Government a tax at the rate of 25 per cent on all payments so made.

* Published in the Extraordinary Jarida No. 28, dated 27th June, 1949.

(2) On the application of the manager of such racemeeting Government may permit him on such conditions as they may prescribe—

(*a*) to pay the amount of the tax due by means of a consolidated payment of 25 per cent of the gross sum received by him on account of payments for admission and on account of the tax, or

(*b*) to compound for the aggregate of the tax leviable under sub-section (1) by the payment of such sum as Government may fix in this behalf.

Addmission to race meetings.

4. Unless the manager of such race meeting has made arrangements approved by Government for furnishing returns of the payments for admission and has given security up to an amount and in a manner approved by Government for payment of the tax, no person shall be admitted for payment to any such race meeting, except—

(*a*) with a ticket stamped with an impressed, embossed, engraved or adhesive stamp (not before used) issued by Government and denoting that the proper tax has been paid, or

(*b*) in special cases with the approval of Government, through a barrier which, or by means of a mechanical contrivance which automatically registers the number of persons admitted.

Penalty for non payment of tax.

5. If any person is admitted for payment to such race meeting and the provisions of section 4 are not complied with, the manager of the race meeting shall, on conviction by a magistrate, be liable in respect of each such offence to a fine not exceeding five hundred rupees, and shall in addition be liable to pay any tax which should have been paid.

Sections 4 and 5 not to apply in certain cases.

6. The provisions of sections 4 and 5 shall not apply to any race meeting in respect of which the manager has been permitted under sub-section (2) of section 3 to make a consolidated payment, or to compound for the payment of the tax leviable.

Manner of payment.

7. (1) The tax shall be charged in respect of each person admitted for payment, and, in the case of admission by stamped ticket, shall be paid by means of the stamp on the ticket and, in the case of admission otherwise than by stamped ticket, shall be calculated and paid on the number of admissions.

(2) In the case of admission otherwise than by stamped ticket, the tax shall be recoverable from the manager.

(3) Where the payment for admission is made by means of a lump sum paid as a subscription or contribution to any company, institution, club or other association of persons, or for a season ticket or for the right of admission to a series of race meetings or to any race meeting during a certain period of time, or for

any privilege, right, facility or thing combined with the right of admission to any race meeting, or involving such right of admission without further payment or at a reduced charge, the tax shall be paid on the amount of the lump sum :

Provided that where Government are of opinion that the payment of a lumpsum or any payment for a ticket represents payment for other privileges, rights or purposes besides the admission to a race meeting, or covers admission to a race meeting during any period for which the tax has not been in operation the tax shall be charged on such an amount as appears to Government to represent the right of admission to race meetings in respect of which the tax is payable.

Recoveries.

8. Any sum due on account of the tax shall be recoverable by Government as an arrear of land revenue.

Inspections.

9. (1) Any officer authorised by Government for the purpose may enter any race course while a race meeting is in progress, or at any other reasonable time, with a view to seeing whether the provisions of this Chapter or of any rules made thereunder are being complied with.

(2) If any person prevents or obstructs the entry of any officer so authorised, he shall, in addition to any other punishment to which he is liable under any law for the time being in force, be liable on conviction by a magistrate to a fine not exceeding two hundred rupees.

(3) Every officer authorised under this section shall be deemed to be a public servant within the meaning of the Hyderabad Penal Code.

Rules.

10. (1) Government may make rules for securing the payment of the tax and generally for carrying into effect the provisions of this Chapter, and in particular—

(*a*) for the supply and use of stamps or stamped ticket or for the stamping of tickets sent to be stamped ; and for securing the defacement of stamps when used ;

(*b*) for the use of tickets covering the admission of more than one person and the calculation of the tax thereon, and for the payment of the tax on the transfer from one part of a race course to another and on payments for seats or other accommodation ;

(*c*) for controlling the use of barriers or mechanical contrivances (including the prevention of the use of the same barrier, or mechanical contrivance for payments of a different amount) and for securing proper records of admission by means of barriers or mechanical contrivances ;

(*d*) for the checking of admissions, the keeping of acounts and the furnishing of returns by the managers of meetings to

which the provisions of sub-section (2) of section 3 are applied or in respect of which arrangements approved by Government for furnishing returns are made under section 4;

(*e*) for the renewal of damaged or spoiled stamps; and

(*f*) for the keeping of accounts of all stamps used under this Chapter.

(2) If any person acts in contravention of or fails to comply with, any rules made under sub-section (1), he shall, on conviction by a magistrate, be liable in respect of each offence to a fine not exceeding five hundred rupees.

No tax on admission to race meetings to be imposed under other laws.

11. Notwithstanding anything contained in the Hyderabad Entertainments Tax Act, 1355 Fasli or the Hyderabad Municipal and Town Committees A'in (IV of 1352 F.) or the Hyderabad District Boards A'in (III of 1352 F.), no tax in respect of admission to a race meeting shall be imposed otherwise than under this Chapter.

CHAPTER II.

Taxes on certain forms of betting.

Definitions.

12. In this Chapter—

(*a*) "backer" includes any person with whom a licensed book-maker bets;

(*b*) "bet" includes "wager" and "betting" includes "wagering";

(*c*) "licensed book-maker" means any person who carries on the business or vocation of or acts as book-maker or turf commission agent under a license or permit issued by any racing club or by the stewards thereof to enable him to carry on his business or vocation under the provisions of the Gambling Act, 1305 F., as specified in the license or permit;

(*d*) "prescribed" means prescribed by this Chapter or by the rules made thereunder;

(*e*) "racing club" includes a club, association, society or body of persons corporate or incorporate—

(*i*) formed for the purpose of promoting horse racing or pony racing or for holding race meetings; or

(*ii*) conducting or controlling such meetings;

(*f*) "totalisator" means a totalisator in an enclosure which the stewards controlling a race meeting have set apart in accordance with the Gambling Act, 1305 F., and includes any instrument, machine or contrivance known as the totalisator or any other instrument, machine or contrivance of a like nature or any scheme for enabling any number of persons to make bets with one another on the like principles.

Tax on totalisators and payment thereof.

13. There shall be charged, levied and paid to the Government out of all monies paid into any totalisator by way of stakes or bets, a tax on backers hereinafter referred to as the totalisator tax, amounting to *[six and one-fourth per cent.] of every sum so paid; and *[six and one-fourth per cent.] of every sum so paid into a totalisator shall be deemed to have been paid by the backer on account of the totalisator tax, and shall be received by the stewards of the race meeting on behalf of Goverment.

Procedure of making over totalisator tax to Government.

14. The stewards of a race meeting shall, at such times and in such manner as may be prescribed, forward to the prescribed officer a return stating the total amount of the monies paid into the totalisator at the meeting, and shall at the prescribed time make over to the prescribed officer the amount of the tax for that meeting.

Accounts of totalisator tax.

15 (1) The stewards of a race meeting shall keep account in the prescribed form of all monies paid into the totalisator at that meeting.

(2) Every person having the custody or control of any such accounts shall, when required in writing by an officer empowered in this behalf by the Goverment, permit such Officer, or an officer authorised in writing by him in this behalf, to inspect and take copies of them.

Betting tax

16. (1) There shall be charged, levied and paid to the Government *[out of all monies paid or agreed to be paid by a backer to a licensed book-maker in respect of a bet] made in an enclosure set apart under the Provisions of the Gambling Act, 1305 F., on any race, a tax on backers, hereinafter referred to as the betting tax, amounting to †[twelve and half per cent.] of all such monies.

(2) The betting tax shall be deducted or collected by the licensed book-maker from such monies at the time *[when the money is paid to him by the backer,] or in the case of credit bets at such time as may be prescribed, and shall be deemed to have been paid by the backer on account of the tax, and shall be retained by the licensed book-maker on behalf of Government.

Procedure for making over betting tax to Government.

17. All sums retained on account of betting tax shall be made over by the licensed book-maker, by whom they have been retained, to the prescribed officer at such times and in such manner as may be prescribed.

Accounts of betting tax.

18. (1) The stewards of a race meeting shall, at such times and in such manner as may be prescribed, forward to the

* Amended by Act No. XVI of 1953, published in Gazette Extraordinary No. 191, dated 7th October, 1953.

† Amended by Act No. XIX of 1950, published in Jarida No. 35, dated 29th May, 1950.

prescribed officer returns setting out the names of the book-makers licensed or permitted by them to carry on the business or vocation of a book-maker at that meeting.

(2) All licensed book-makers shall keep accounts of *[all sums paid or agreed to be paid to them by backers in respect of bets], in such manner as may be prescribed and shall, when required in writing by an officer empowered in this behalf by the Government, permit such officer, or an officer authorised in writing by him in this behalf, to inspect and take copies of such accounts.

Methods of recovery of totalisator tax and betting tax.

19. (1) The totalisator tax payable under section 13 shall be recoverable as a public demand from the racing club conducting the metting and any portion of such tax which is not so recovered shall also be recoverable as a public demand from the stewards of the race meeting jointly and severally.

(2) All monies which a licensed book-maker is liable to make over to the prescribed officer under section 17 shall be recoverable from the licensed bookmaker as a public demand.

*[CHAPTER III.

GENERAL.

Power of Govt. to alter rates of taxes.

19-A. The Government may, from time to time, by notification in the Jarida, make such alteration in the rate of tax specified in section 3, section 13 or section 16 as it deems fit].

Rules.

20. The Government may make rules for securing the payment of the totalisator tax and the betting tax, the production and inspection of Accounts kept under this Chapter, and generally for carrying into effect the provisions of this chapter, and for dealing with such matters as are therein directed to be prescribed.

Amendment of section 3 of the Gambling Act, No. II of 1305 F.

21. For sub-section (2) of section 3 of the Gambling Act, 1305 F., the following sub-section shall be substituted, namely:—

" (2) In this Act, " gambling " includes wagering or betting except wagering or betting upon horse race, when such wagering or betting takes place—

(*a*) on the day on which such race is to be run,

(*b*) in an enclosure which the stewards controlling such race have, with the sanction of the Government, set apart for the purpose, and

(*c*) (*i*) with a licensed book-maker, or

(*ii*) by means of totalisator as defined in section 12 of the Hyderabad Horse Racing and Betting Tax Regulation, 1358 F.,

but does not include a lottery. "

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* Amended by Act No. XVI of 1358, published in Gazette Extraordinary No. 191, dated 7th October, 1358.